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Ifedayo Udiani

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LATIMER, MAYBERRY & MATTHEWS IP LAW, LLP
13873 PARK CENTER ROAD
SUITE 106
HERNDON, VA 20171

EXAMINER

GREGG, MARY M

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PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No. 10/673,754	Applicant(s) UDIANI, IFEDAYO	
	Examiner MARY GREGG	Art Unit 3694	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 30 April 2008.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 5-25 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 5-25 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 29 September 2003 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____ |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

MMG

DETAILED ACTION

1. The following is a Final Office action in response to communications received April 30, 2008. Claims 1-4 have been canceled. Claims 5-25 have been added. Therefore Claims 5-25 are pending and addressed below.

Response to Amendment

2. Applicant's amendments to the abstract are sufficient to overcome objection to the specification with respect to abstract of the disclosure exceeding 150 words in length. Applicant's amendments with respect to priority claims and indication of an application data sheet in the oath are sufficient to overcome the examiner's rejection. As applicant has canceled all previously rejected claims, the examiners rejections overcome.

Claim Rejections - 35 USC § 112

3. The following is a quotation of the first paragraph of 35 U.S.C. 112:

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

4. Claim 12 are rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the written description requirement. The claim(s) contains subject matter which was not described in the specification in such a way as to reasonably convey to one skilled in the relevant art that the inventor(s), at the time the application was filed, had possession of the claimed invention.

In reference to Claim 12:

The applicant in the submitted claim cites the limitation "collecting county specific point-of-sale taxes and forwarding ...to a tax authority". The applicant in the original disclosure submitted cites "all local and national taxes due may be deducted". There is no description in the original submission of "collecting" and "forwarding" "country specific taxes".

5. Claim 12 is rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the enablement requirement. The claim(s) contains subject matter which was not described in the specification in such a way as to enable one skilled in the art to which it pertains, or with which it is most nearly connected, to make and/or use the invention.

In reference to Claim 12:

Claim 12 cites the limitation "collecting country specific point-of-sale taxes and forwarding ... to a tax authority", but the applicant does not disclose a method for doing so. Collecting taxes for different country entities is a complex process would require undue experimentation in order to achieve the claimed limitation.

6. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

7. Claim 5 is rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

In reference to Claim 5:

Claim 5 recites the limitation "account balance" in line 6. There is insufficient antecedent basis for this limitation in the claim. For examination purposes the examiner

is defining the limitation "account balance" to be equivalent to the limitation "user account balance".

Claim Rejections - 35 USC § 101

8. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

9. Claim 12 is rejected under 35 U.S.C. 101 because the claimed invention lacks patentable utility.

In reference to Claim 12:

Claim 12 cites the limitation "collecting country specific point-of-sale taxes and forwarding to ... a tax authority", but not cite a method for doing so. According to MPEP 2106, a process must have a result that can be substantially repeatable or the process must substantially produce the same result again. Therefore claim 12 is rejected under 35 USC 101.

10. Claims 5-25 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

In reference to Claims 5-25:

Independent Claims 5, 13 and 20 are directed toward the statutory category of a method (process), however according to Supreme Court precedent and recent Federal Circuit decisions, in order to be statutory under 35 USC 101 the process must (1) be tied to another statutory class (such as a particular apparatus) or (2) transform underlying subject matter (such as an article or materials to a different state or thing. If

neither of these requirements is met by the claim, the method is not a patent eligible process under § 101 and is rejected as being directed toward non-statutory subject matter.

As example of a method claim that would not qualify as a statutory process would be a claim that recited purely mental steps. Thus to qualify as a § 101 statutory process, the claim should positively recite the other statutory class (thing or product) to which it is tied, for example by identifying the apparatus that accomplishes the method steps, or positively recite the subject matter being transformed, for example by identifying the material being changed to a different state. (Diamond v. Diehr, 450 US 175, 184 (1981); Parker V. Flook, 437 US 584, 588 n.9 (1978); Gottschalk v. Benson, 409 US 63, 70 (1972); Cochrane v Deener, 94 US 780, 787-88 (1876)). Applicant is also directed to MPEP § 2173.05p, providing guidance with respect to reciting a product and process in the same claim and MPEP § 2111.02 [R3] providing guidance with respect to the effect of limitations within the preamble of a claim.

Claims 6-12 depend upon claim 5, Claims 14-19 depend upon claim 13, Claims 21-25 depend upon claim 20, and contain the same deficiencies and do not cure the deficiencies set forth above. Therefore Claims 6-12, 14-19 and 21-25 are also rejected for being directed to non-statutory subject matter.

Claim Rejections - 35 USC § 103

11. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and

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the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

12. Claims 5-11 and 13-24 are rejected under 35 U.S.C. 103(a) as being unpatentable over US Pub 2005/0021455 A1 by Webster (Web) and further in view of Official Notice.

In reference to Claim 5:

Web teaches:

(New) A method of making payment over the internet comprising: a. electronically crediting positive value from at least one pre-paid smart card into a first account to create a user account balance ((Web) para 0027 lines 1-3, para 0030 lines 1-2), wherein said first account is an individual user e-account with a third party ((Web) FIG. 2; para 0025 lines 1-3, para 0028 lines 2-4) b. debiting positive value from said first account in an amount less than or equal to said account balance and c. crediting at least a portion of said positive value to a second account ((Web) FIG. 6; para 0012 lines 8-15, para 0036 lines 4-6, para 0038 lines 4-6, para 0040 lines 1-3, para 0046 lines 1-2, para 0050, para 0055).

Although Web does not teach "debiting ...amount less than or equal to account balance", Official Notice is taken that in the art of banking that the process of payment transfer of funds determining sufficient funds is well known in the industry. Therefore, it would have been obvious to one of ordinary skill in the art at the time of the invention to include in the paid currency transfer the commonly known art of determining sufficient funds available.

In reference to Claim 6:

(New) The payment method according to claim 5 (see rejection of claim 5 above), further comprising increasing said account balance by electronically crediting said first account with additional positive value from at least one pre-paid smart card ((Web) para 0030 lines 1-2)

In reference to Claim 7:

(New) The payment method according to claim 5 (see rejection of claim 5 above), wherein said debiting and crediting are capable of being performed without disclosing a user's confidential information ((Web) para 0012 lines 5-7, para 0034 lines 1-6, para 0035 lines 1-3, para 0036 lines 8-10)

In reference to Claim 8:

(New) The payment method according to claim 7 (see rejection of claim 7 above), wherein said user's confidential information is personal or financial information ((Web) para 0036 lines 8-10)

In reference to Claim 9:

(New) The payment method according to claim 8 (see rejection of claim 8 above), wherein said confidential information is bank account, credit card, birth date, or social security number information ((Web) para 0034 lines 1-4, para 0035 lines 1-3, para 0036 lines 8-10).

In reference to Claim 10:

(New) The payment method according to claim 5 (see rejection of claim 5 above), wherein said positive value is an internet standard of value ((Web) para 0025 lines 2-4).

In reference to Claim 11:

(New) The payment method according to claim 5 (see rejection of claim 5 above), wherein said debiting and crediting are performed for purchasing e-stamps

Note: The mere recitation of merits and advantages of a use of a product without method steps directed toward an invention is non-functional descriptive subject matter.

In reference to Claim 13:

(New) An e-commerce payment system comprising: a. at least one pre-paid smart card comprising positive value ((Web) para 0030 lines 1-2), b. a first account for depositing at least a portion of said positive value from said at least one pre-paid smart card, wherein said account is a first individual user e-account on a third party server ((Web) FIG. 2; para 0025 lines 1-3, para 0028 lines 2-4), and c. a second account for depositing at least a portion of said positive value from said first account ((Web) FIG. 6; para 0012 lines 8-15, para 0036 lines 4-6, para 0038 lines 4-6, para 0040 lines 1-3, para 0046 lines 1-2, para 0050, para 0055), wherein said second account is a merchant account or second individual user e-account on or linked to said third party server ((Web) para 0037 lines 5-6)

In reference to Claim 14:

(New) The e-commerce payment system according to claim 13 (see rejection of claim 13 above), wherein said depositing is capable of being performed without disclosing a user's confidential information ((Web) para 0034 lines 1-4, para 0035 lines 1-5, para 0036 lines 1-5).

In reference to Claim 15:

(New) The e-commerce payment system according to claim 14 (see rejection of claim 14 above), wherein said user's confidential information is personal or financial information ((Web) para 0036 lines 8-10).

In reference to Claim 16:

(New) The e-commerce payment system according to claim 15 (see rejection of claim 15 above), wherein said confidential information is bank account, credit card, birth date, or social security number information ((Web) para 0034 lines 1-4, para 0035 lines 1-5, para 0036 lines 1-5).

In reference to Claim 17:

(New) The e-commerce payment system according to claim 13 (see rejection of claim 13 above), wherein said positive value is an internet standard of value ((Web) para 0025 lines 2-4).

In reference to Claim 18:

(New) The e-commerce payment system according to claim 13 (see rejection of claim 13 above), wherein said third party server is configured to accept any national currency value and convert said national currency value to a dollar value ((Web) para 0025, para 0044 lines 3-7).

In reference to Claim 19:

(New) The e-commerce payment system according to claim 13 (see rejection of claim 13 above), wherein said merchant account or second individual user e-account is linked to said third party server to record transactions in real time ((Web) para 0038 lines 5-6).

In reference to Claim 20:

(New) A user-to-merchant e-commerce payment method comprising: a. establishing an individual user e-account with a third party ((Web) para 0027 lines 1-3), b. depositing positive value into said account from at least one pre-paid smart card ((Web) para 0030 lines 1-3), c. debiting at least a portion of said positive value from said user e-account, and d. crediting a merchant or a second user e-account with said value debited ((Web) para 0037 lines 4-6, para 0038 lines 4-6)

In reference to Claim 21:

(New) The payment method according to claim 20 (see rejection of claim 20 above), wherein said depositing, debiting, and crediting are capable of being performed without disclosing a user's confidential information ((Web) para 0036 lines 8-10).

In reference to Claim 22:

(New) The payment method according to claim 21 (see rejection of claim 21 above), wherein said user's confidential information is personal or financial information ((Web) para 0036 lines 8-10).

In reference to Claim 23:

(New) The payment method according to claim 22 (see rejection of claim 22 above), wherein said confidential information is bank account, credit card, birth date, or social security number information ((Web) para 0034 lines 1-4, para 0035 lines 1-5, para 0036 lines 1-5).

In reference to Claim 24:

(New) The payment method according to claim 20 (see rejection of claim above), wherein said positive value is an internet standard of value((Web) para 0025, para 0044 lines 3-7).

13. Claim 12 is rejected under 35 U.S.C. 103(a) as being unpatentable over US Pub 2005/0021455 A1 by Webster (Web) and in view of Official Notice as applied to Claim 5 above, and further in view of "Sales Tax Compliance Software" by CCH incorporate, herein referred to as CCH

In reference to Claim 12:

The combination Web and Official Notice teaches:

(New) The payment method according to claim 5 (see rejection of claim 5 above),...

The combination Web and Official Notice does not teach:

... further comprising collecting country specific point-of-sale taxes and forwarding said taxes to a tax authority

CCH teaches:

... further comprising collecting country specific point-of-sale taxes and forwarding said taxes to a tax authority ((CCH) pg. 1 of 2).

Although, Web does not teach collecting and forwarding taxes to tax authorities, Web does teach a system that involves taxable transactions and teaches the system used in a corporate environment ((Web) para 0070 lines 1-2). Official Notice is taken that it is well known in the corporate environment for transactions to be made on a tax exempt taxes wherein the corporation (buyer) pays the taxes to the taxing authorities

and not the vendor. Therefore it would have been obvious to one of ordinary skill in the art at the time of the invention to include in the teachings of Web on corporate use the well known use of tax exemption where the vendor does not collect the taxes on a sale from the buyer.

The combination of Web and Official notice teaches when corporations make purchases where the vendor frequently does not collect and pay taxes. In the instant case the taxes are paid by the corporation directly to the taxing authorities. CCH teaches a method for determining taxes owed on purchases and paying those taxes. Therefore it would have been obvious to one of ordinary skill in the art at the time of the invention to combine the prior art elements according to known methods in order to yield predictable results.

14. Claim 25 is rejected under 35 U.S.C. 103(a) as being unpatentable over US Pub 2005/0021455 A1 by Webster (Web) and in view of Official Notice as applied to Claim 5 above, and further in view of US Pub No. 2005/0177437 by Ferrier (Fer)

In reference to Claim 25:

The combination Web and Official Notice teach:

(New) The payment method according to claim 20 (see rejection of claim 20 above), ...

The combination of Web and Official Notice do not teach:

...wherein a user accesses said e-account by log in through a merchant website using an e-mail address as a user name, a personal identification number, and a password

Fer teaches:

...wherein a user accesses said e-account by log in through a merchant website using an e-mail address as a user name, a personal identification number, and a password ((Fer) para 0054, lines 1-3, para 0058 lines 6-9, para 0064 lines 4-8).

Both the combination Web and Official Notice and Fer teach the motivation of protecting security information of the entities involved in the transaction. Therefore, it would have been obvious to one of ordinary skill in the art at the time of the invention to incorporate the teachings of Fer with the teachings of the combination of Web and Official Notice to add addition security to e-transactions.

Response to Arguments

15. Applicant's arguments with respect to claims 1-4 have been considered but are moot in view of all claims with respect to the arguments have been canceled and the new ground(s) of rejection with respect to those features in the newly submitted claims.

Conclusion

16. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure. US Pub No. 2002/0055911 A1 by Gerreri is cited to teaching a method for controlling online purchases using online accounts. US Pub No. 2002/0123948 A1 by Yumoto is cited for being directed toward an online account management system. US Pub No. 2006/0143122 A1 by Sines et al. is cited for being directed toward a purchasing on internet using bank assurance payment. US Patent

No. 6,185,545 B1 by Resnick et al. is cited for teaching electronic payment through an intermediary account.

17. Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

18. Any inquiry concerning this communication or earlier communications from the examiner should be directed to MARY GREGG whose telephone number is (571)270-5050. The examiner can normally be reached on 4/10.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James Trammell can be reached on 5712726712. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

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19. Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

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/Mary Cheung/
Primary Examiner, Art Unit 3694